

WC 10-130 1003294041824004
DOCKET FILE COPY ORIGINAL

US BANK/FCC MAR 29 2010

Received & Inspected

MAR 22 2010

FCC Mail Room

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE
FORM 159

Approved by OMB
306N-0589
Page No. 1 of 2

(1) LOCKBOX # 019091		SUBMITTER'S USE ONLY	
SECTION A - PAYER INFORMATION			
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) Mr Donald W Mortensen		(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) \$ 2030.00	
(4) STREET ADDRESS LINE NO. 1 379 N University Ave			
(5) STREET ADDRESS LINE NO. 2			
(6) CITY Provo		(7) STATE UT	(8) ZIP CODE 84601
(9) DAYTIME TELEPHONE NUMBER (include area code) 801-437-6578		(10) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(11) PAYER (FRN) 0000010827		FCC REGISTRATION NUMBER (FRN) REQUIRED	
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(13) APPLICANT NAME Veracity Communications Broadweave Networks			
(14) STREET ADDRESS LINE NO. 1 379 N University Ave			
(15) STREET ADDRESS LINE NO. 2			
(16) CITY Provo		(17) STATE UT	(18) ZIP CODE 84601
(19) DAYTIME TELEPHONE NUMBER (include area code) 801-437-6578		(20) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(21) APPLICANT (FRN) 0000010827/6016161341		FCC REGISTRATION NUMBER (FRN) REQUIRED	
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE cut	(25A) QUANTITY 1	
(26A) FEE DUE FOR (PTC)	(27A) TOTAL FEE \$11015.00	FCC REGISTRATION NUMBER (FRN) REQUIRED	
(28A) FCC CODE 1		(29A) FCC CODE 2	
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE cut	(25B) QUANTITY 1	
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE \$11015.00	FCC REGISTRATION NUMBER (FRN) REQUIRED	
(28B) FCC CODE 1		(29B) FCC CODE 2	

PAID BY CREDIT CARD
PAID BY CREDIT CARD

RECEIVED

2010 MAR 22 P 1:37

FINANCIAL OPERATIONS

ATTN: Competition Policy Division, Wireline Competition Bureau

Office of the Secretary
Federal Communications Commission
445 12th Street SW Rm TW-A325
Washington DC, 20554

Received & Inspected

MAR 22 2010
FCC Mail Room

Enclosed please find the following:

Form 159 Remittance Advice
Request for Special Temporary Authority
Application to Assign and Transfer Section 214 Authority

If you have any questions please feel to contact Christina Jackson at 801-437-6578 or by email
cjackson@veracitycom.net.

Thank you,



Christina Jackson
Veracity Communications

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)	
)	
Veracity Communications, Inc.'s and)	File No. _____
Broadweave Networks, Inc.'s Application to)	
Assign and Transfer Their International and)	Application to Assign and Transfer
Domestic Section 214 Authority to Veracity)	Section 214 Authority
Networks, LLC)	

Veracity Communications, Inc. ("Veracity") and Broadweave Networks, Inc. ("Broadweave"), pursuant to Section 214 of the Communications Act of 1934, as amended, and Sections 63.24, 63.03, and 63.04 of the Federal Communications Commission's Rules, hereby requests approval from the Federal Communications Commission ("Commission") to assign and transfer control of their International Section 214 Authorization and their Domestic Section 214 Authorization to Veracity Networks, LLC ("Veracity Networks"). In support of their application, Veracity, Broadweave, and Veracity Networks state as follows:

I. Narrative Regarding the Proposed Transfer or Assignment.

Veracity is a Utah corporation that holds an International Section 214 Authorization (ITC-214-20080115-00017E granted February 1, 2008) and a certificate of public convenience and necessity from the State of Utah and has historically served the commercial and business telecommunications markets in Utah. Broadweave is a Utah corporation that holds an International Section 214 Authorization (ITC-214-20070314-00107E granted March 30, 2007) and a certificate of public convenience and necessity from the State of Utah and has historically served the residential telecommunications market in Utah.

Given their activities in complementary markets and the potential to achieve synergies and cost savings, Veracity and Broadweave have entered into an agreement to combine their operations. To effectuate this business combination Veracity and Broadweave will contribute all of their telecommunications assets and operations to a new entity named Veracity Networks. In exchange for these contributions, Veracity will receive a 50% ownership interest in Veracity Networks and Broadweave will receive a 50% ownership interest in Veracity Networks. Because the business combination is designed to be a true 50/50 deal, Veracity will be entitled to appoint three members to Veracity Networks' seven members Board of Managers and Broadweave will be entitled to appoint three members to Veracity Networks seven member Board of Managers. The seventh member of the Board of Managers will be jointly appointed by both Veracity and Broadweave. The day to day operation of Veracity Networks will be managed by an executive management team comprised of former officers from both companies with the Chief Executive Officer coming from Veracity and the President and COO coming from Broadweave. After the business combination is complete, Broadweave and Veracity will continue to exist as legal entities, but will not offer telecommunications services. Their primary role will be to hold the ownership interests of Veracity Networks.

Veracity and Broadweave have sought and received approval from the Utah State Public Service Commission to consummate the business combination as described above. By order dated November 18, 2009, the Utah State Public Service Commission found that the proposed business combination is in the public interest and will promote competition. The Utah Public Service Commission also approved the assignment of Veracity's certificate of public convenience and necessity to Veracity Networks.

II. Information Regarding Transferor-Assignor Veracity Communications, Inc.

A. 47 C.F.R. § 63.18(a) – Name, Address, Telephone Number

Veracity Communications, Inc.
379 North University Avenue, Suite 301
Provo, Utah 84601
801-379-3000

B. 47 C.F.R. § 63.18(b) – State of Incorporation

Utah

C. 47 C.F.R. § 63.18(c) – Name, Title, Post Office Address, Telephone Number of Company Contact

Drew Peterson
Chief Executive Officer
Veracity Communications, Inc.
379 North University Avenue, Suite 301
Provo, Utah 84601
801-379-3000

D. 47 C.F.R. § 63.18(d) – Statement Regarding Previously Received International 214 Authorizations

On February 1, 2008, Veracity Communications, Inc. received International Section 214 Authorization to provide resale service in accordance with Section 63.18(e)(2) of the Commission's rules.

III. Information Regarding Transferor-Assignor Broadweave Networks, Inc.

A. 47 C.F.R. § 63.18(a) – Name, Address, Telephone Number

Broadweave Networks, Inc.
744 North 300 West
Provo, Utah 84601
801-878-3200

B. 47 C.F.R. § 63.18(b) – State of Incorporation

Utah

C. 47 C.F.R. § 63.18(c) – Name, Title, Post Office Address, Telephone Number of Company Contact

Dave Moon
Chairman of the Board of Directors
Broadweave Networks, Inc.
744 North 300 West
Provo, Utah 84601
801-878-3200

D. 47 C.F.R. § 63.18(d) – Statement Regarding Previously Received International 214 Authorizations

On March 30, 2007, Broadweave Networks, Inc. received International Section 214 Authorization to provide resale service in accordance with Section 63.18(e)(2) of the Commission's rules.

IV. Information Regarding Transferee-Assignee Veracity Networks, LLC

A. 47 C.F.R. § 63.18(a) – Name, Address, Telephone Number

Veracity Networks, LLC

B. 47 C.F.R. § 63.18(b) – State of Incorporation

Delaware

C. 47 C.F.R. § 63.18(c) – Name, Title, Post Office Address, Telephone Number of Company Contact

Drew Peterson
Chief Executive Officer
Veracity Networks, LLC
379 North University Avenue, Suite 301
Provo, Utah 84601
801-379-3000

D. 47 C.F.R. § 63.18(d) – Statement Regarding Previously Received International 214 Authorizations

Veracity Networks, LLC has not previously received any International Section 214 Authorizations.

E. 47 C.F.R. § 63.18(h) – Name, Address, Citizenship, and Principal Place of Business of Owners

Veracity Communications, Inc.
379 North University Avenue, Suite 301
Provo, Utah 84601
United States Citizen
Telecommunications Services
Ownership in Veracity Networks, LLC: 50%

Drew Peterson
13404 Saddle Ridge Drive
Draper, UT 84020
United States Citizen
Telecommunication Services
Ownership in Veracity Communications, Inc.: 34%
Ownership in Veracity Networks, LLC: 17%

Kevin Mayberry
1365 North 430 East
Orem, UT 84097
United States Citizen
Telecommunications Services
Ownership in Veracity Communications, Inc.: 34%
Ownership in Veracity Networks, LLC: 17%

Broadweave Networks, Inc.
744 North 300 West
Provo, Utah 84501
United States Citizen
Telecommunication Services
Ownership in Veracity Networks, LLC: 50%

CM2 Investments LLC
299 South Main Street, Suite 2450
Salt Lake City, Utah 84111
United States Citizen
Investments
Ownership in Broadweave Networks, Inc.: 22.08%
Indirect Ownership in Veracity Networks, LLC: 11.04%

E-Net Three, LLC
5255 S Edgewood Drive, Suite 200
Provo, UT 84604
United States Citizen
Financial Services
Ownership in Broadweave Networks, Inc.: 32.60%
Ownership in Veracity Networks, LLC: 18.30%

F. 47 C.F.R. § 63.18(i) – Certification Regarding Foreign Carrier Affiliation

Veracity Networks, LLC hereby certifies that it is not affiliated with any foreign carriers.

G. 47 C.F.R. § 63.18(j) – Certification Regarding Services to Certain Destination Countries

Not Applicable

H. 47 C.F.R. § 63.18(k) – Foreign Country Information

Not Applicable

I. 47 C.F.R. § 63.18(l) – Foreign Carrier Information

Not Applicable

J. 47 C.F.R. § 63.18(m) – Foreign Non-Dominant Showing

Not Applicable

K. 47 C.F.R. § 63.18(n) – Certification Regarding Special Concessions

Veracity Networks, LLC hereby certifies that it has not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route and will not enter into such agreements in the future.

L. 47 C.F.R. § 63.18(o) – Certification Regarding Federal Benefits

Veracity Networks, LLC hereby certifies that it is not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

M. 47 C.F.R. § 63.18(p) – Request for Streamlined Processing

Veracity Networks, LLC requests streamlined processing of this application pursuant to 47 C.F.R. § 63.12 because Veracity Networks, LLC does not meet any of the conditions listed in 47 C.F.R. § 63.12(c) that would disqualify Veracity Networks, LLC from streamlined processing.

Veracity, Broadweave and Veracity Networks certifies that all of the information in this application is accurate and correct. Veracity, Broadweave and Veracity Networks respectfully requests that the Commission approve the proposed assignment and transfer of control of

Veracity's and Broadweave's International and Domestic Section 214 Authorizations to Veracity Networks.

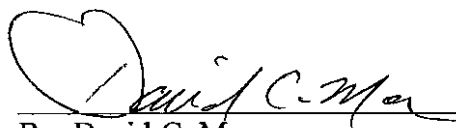
DATED: February 16, 2010

VERACITY COMMUNICATIONS, INC.

BROADWEAVE NETWORKS, INC.

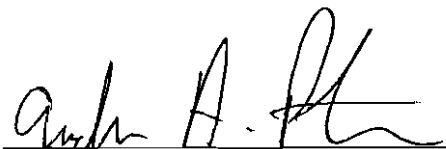
A handwritten signature in black ink, appearing to read "Andrew A. Peterson", written over a horizontal line.

By: Andrew A. Peterson
Title: President

A handwritten signature in black ink, appearing to read "David C. Moon", written over a horizontal line.

By: David C. Moon
Title: Chairman of the Board of Directors

VERACITY NETWORKS, LLC

A handwritten signature in black ink, appearing to read "Andrew A. Peterson", written over a horizontal line.

By: Andrew A. Peterson
Title: Chief Executive Officer

Attachment Regarding Domestic Section 214 Authorization

I. 47 C.F.R. § 63.04(a)(6) – Description of Transaction

Veracity and Broadweave will combine operations by each contributing all of their telecommunications assets and operations to a new entity named Veracity Networks. In exchange for these contributions, Veracity will receive a 50% ownership interest in Veracity Networks and Broadweave will receive a 50% ownership interest in Veracity Networks. As part of the transaction, Veracity will be entitled to appoint three members to Veracity Networks' seven members Board of Managers and Broadweave will be entitled to appoint three members to Veracity Networks seven member Board of Managers. The seventh member of the Board of Managers will be jointly appointed by both Veracity and Broadweave. The day to day operation of Veracity Networks will be managed by an executive management team comprised of former officers from both companies with the Chief Executive Officer coming from Veracity and the President and COO coming from Broadweave. After the business combination is complete, Broadweave and Veracity will continue to exist as legal entities, but will not offer telecommunications services. Their primary role will be to hold the ownership interests of Veracity Networks.

II. 47 C.F.R. § 63.04(a)(7) – Geographical Areas

Veracity and Broadweave offer domestic telecommunication services in Utah. They offer local dial tone, and resell domestic and international long distance. Prior to the transaction, Veracity Networks will not offer any telecommunication services. After the transaction, Veracity Networks intends to offer domestic telecommunication services in Utah including local dial tone, and resold domestic and international long distance.

III. 47 C.F.R. § 63.04(a)(8) – Streamlined Application Justification

This application is entitled to streamlined procedures because the proposed transaction will result in Veracity Networks having a market share in the interstate, interexchange market of less than ten percent, and Veracity Networks will provide competitive telephone exchange services or exchange access services exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction and Veracity, Broadweave or Veracity Networks is not dominant with respect to any services.

**Broadweave
Networks Inc.**

**Veracity
Communications Inc.**

50%

50%

Broadweave Networks, Inc. will contribute its assets and liabilities to Veracity Networks, LLC in exchange for an eventual 50% ownership of Veracity Networks, LLC. By virtue of this contribution, current Broadweave Networks, Inc. subsidiaries will become Veracity Networks LLC subsidiaries.

Veracity Communication, Inc. will contribution its assets and liabilities to V-Opco, in exchange for 100% ownership of V-Opco. Veracity Communications, Inc. will then contribute all of its membership interest in V-Opco to Veracity Networks, LLC in exchange for 50% ownership of Veracity Networks, LLC.

V-Opco

FEDERAL COMMUNICATIONS COMMISSION
U.S. BANK APPLICATION RETURN FORM

Date: 3.24.10

Client Service Center
U.S. Bank
Rm. SL-MO-C3-GL
St. Louis, MO 63101

Re: *Veracity Communications*

The enclosed application(s) can be processed as filed. Please refer to the following instructions:

- ☐ Use original date stamped, and stamp all receipt copies with the same date.
- ☐ Restamp application(s) and all other documents processing.
- ☐ Application was sent to the wrong location, and is being forwarded for processing
- ☒ Process application(s) in Lockbox 979088.
- ☐ Process filing using Payment Type Code _____.
- ☐ Process as overpayment.

Please contact the Revenue and Receivables Operations Group at (202) 418-1995, if you have any questions.

Sincerely,



Revenue & Receivables Operations Group

Enclosure

*Form 159
Request for Special Temp. Authority
Credit Card # 7024 52, 000.00*

White - Bank

Yellow - Federal Communications Commission